

TO: Peter Tenhula, Bryan Tramont, Paul Margie and Monica Desai
FR: Mark Rubin, Western Wireless
RE: Spectrum Cap
DT: 10/30/01

As you know, Western Wireless serves rural America in 19 States west of the Mississippi. Only one other carrier in the US serves more square miles than does Western. Western has over 1 million subscribers.

We strongly agree with the Administration that the cap and the cellular cross ownership rule should immediately be eliminated. Additionally, these limitations become particularly critical in rural cellular markets, where combining spectrum is necessary to serve the basic and advanced telecommunications needs of rural consumers.

Rural consumers would specifically benefit from the Commission's immediate lifting the cross ownership rules for rural markets. The difficult economics of providing telecommunications services in rural markets are well known to the Commission and place a premium on efficiency to lower the incremental costs of providing service. Consequently, cellular carriers operating in rural markets should not be prejudiced vis-à-vis other CMRS competitors by an outright bar to combination under the cellular cross ownership rules. Indeed, the cross ownership prohibition serves no purpose where the Commission retains its conventional Section 310(d) authority to review transactions, and in particular, the effects on competition of an